



A PROFESSIONAL PROPERTY MANAGEMENT COMPANY

UPD – Policies Briefing Meeting Information

Every two years the Texas Legislature takes a closer look at the state laws that affect your homeowner's association. In 2023, there were three major changes that not only impacted UPD, but all Associations across Texas. Essex collaborated with HOA attorneys to prepare the documents with the most recent changes. However, the association might have a version of the policies in place now, but with the new state mandates, we would like to encourage you to move forward with the new policies per the Texas State Property Code. All of these policies are to protect and provide guidance to the Board if any situation, related to a policy below, were to arise.

Mandated Policies – These updated policies are state mandated that the association is required to comply with.

Collections, Payment Plan & Fee Waiver Policy (**Amend**)

- This policy is to meet the new state house bill HB886 that passed on September 1, 2023, that now changes the notice sequence of filing an assessment lien, lien affidavit, or other lien instrument showing the non-payment of assessments or what is owed to the HOA. In simple terms we now must send out three monthly written notices; the first notice via first class mail, the second via certified mail at least 30 days after the first, and the third notice cannot be sent out until at least 90 days after the second notice. Legislative changes now require a 45-day versus a 30-day notice to owners of default in payment. No lien or referral to an attorney can now take place unless at least a full 45-days' notice is delivered. It is noteworthy that with other changes, just to get to a point where an HOA can refer an account is at least 90-days and for the attorney to get to the point where they can file a lien or foreclose on title is another 90-days or more. Along with the latest updates to the collections policy, it has also combined the previous Collections Policy and the Payment Plan Policy into one.

Security Measures Policy w/Additional Info on Front Fencing (**Adopt**)

- This policy is necessary to address rules governing security / video cameras as well as put into place restrictions and limitations for owners wanting to fence in their front yards for "security reasons." Currently, the ACC cannot restrict the location of the fence, but they can restrict the materials used.

Enforcement and Fine Policy (**Amend**)

- This policy changed with HB614. The change to this policy is to establish and to detail the types of restrictions and the schedule of fines for each. With this house bill, the legislation is ensuring that all associations remain compliant and consistent with enforcing the HOA rules. The new enforcement policy outlines: restrictions arranged by category that may result in fines, a schedule of fines for each type of violation, and information about the hearing and verification process before the board.



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Highly Recommended Policies – These policies are not mandated; however, we highly recommend that the below policies are adopted for the protection of the association and its board members.

Community Wide Standards Policy **(Adopt)**

- Adopting or supplementing rules or restrictions that might be missing or lacking the proper language from other governing documents that will set a standard across the community and bring harmony.

Drones and Unmanned Aircraft Policy **(Adopt)**

- Laws regarding drones and unmanned aircraft have become stricter as an example you cannot fly a drone over another homeowner's property. This policy helps ensure the HOA can enforce this issue based on state law.

Generator Policy **(Amend)**

- After the pandemic and the periodic freezes, the Senate wanted a bill preventing an HOA from denying an owner's right to have a generator. The policy dictate's location and other needed guidelines regarding generator installations

Lightning Rod Use Policy **(Adopt)**

- As more Texas residents are installing lightning rods, this policy helps provide some restrictions and guidance as to installation of lightning rods, for example the type and locations.

E-Mail Registration Policy **(Amend)**

- This policy broadened the use of e-mail notifications for HOAs. Prior to this policy, e-mail notification could not be used to notice an annual or special meeting. With implementation of this policy, the Association can use e-mail notifications for a variety of reasons. Essentially, saves money on postage.

Pandemic Policy **(Adopt)**

- After COVID the State mandated policies for all HOAs to help them govern during a pandemic as well as set "no liability" perimeters in place for the Association, Board, & Managing Agent. For example (God forbid), that someone got extremely sick at an in-person HOA meeting, the HOA would not be liable if they got Covid.

Records Production & Copying Policy **(Amend)**

- This policy determines how long the Association's Managing Agent must store Association Records. Additionally, it explains the costs associated with the completion of records requests by an owner.